In the House of Representatives, U. S.,
July 29, 2011.

Resolved, That the bill from the Senate (S. 627) entitled “An Act to establish the Commission on Freedom of Information Act Processing Delays.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.
2 (a) SHORT TITLE.—This Act may be cited as the
3 “Budget Control Act of 2011”.
4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TEN-YEAR DISCRETIONARY CAPS WITH SEQUESTER

Sec. 101. Enforcing discretionary spending limits.
Sec. 102. Definitions.
Sec. 103. Reports and orders.
Sec. 104. Expiration.
Sec. 105. Conforming amendments to the Congressional Budget and Impoundment Control Act of 1974.

TITLE II—VOTE ON THE BALANCED BUDGET AMENDMENT

Sec. 201. Vote on the balanced budget amendment.
Sec. 202. Consideration by the other House.

TITLE III—DEBT CEILING DISAPPROVAL PROCESS

Sec. 301. Debt ceiling disapproval process.

TITLE IV—JOINT SELECT COMMITTEE ON DEFICIT REDUCTION

Sec. 401. Establishment of Joint Select Committee.
Sec. 402. Expedited consideration of joint committee recommendations.
Sec. 403. Funding.
Sec. 404. Rulemaking.
TITLE V—PELL GRANT AND STUDENT LOAN PROGRAM CHANGES

Sec. 502. Termination of authority to make interest subsidized loans to graduate and professional students.
Sec. 503. Termination of Direct Loan repayment incentives.
Sec. 504. Inapplicability of title IV negotiated rulemaking and master calendar exception.

TITLE I—TEN-YEAR DISCRETIONARY CAPS WITH SEQUESTER

SEC. 101. ENFORCING DISCRETIONARY SPENDING LIMITS.

Section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended to read as follows:

“SEC. 251. ENFORCING DISCRETIONARY SPENDING LIMITS.

“(a) ENFORCEMENT.—

“(1) SEQUESTRATION.—Within 15 calendar days after Congress adjourns to end a session there shall be a sequestration to eliminate a budget-year breach, if any.

“(2) ELIMINATING A BREACH.—Each non-exempt account shall be reduced by a dollar amount calculated by multiplying the enacted level of sequestrable budgetary resources in that account at that time by the uniform percentage necessary to eliminate a breach.

“(3) MILITARY PERSONNEL.—If the President uses the authority to exempt any personnel account from sequestration under section 255(f), each account within subfunctional category 051 (other than those...
military personnel accounts for which the authority
provided under section 255(f) has been exercised) shall
be further reduced by a dollar amount calculated by
multiplying the enacted level of non-exempt budgetary
resources in that account at that time by the uniform
percentage necessary to offset the total dollar amount
by which outlays are not reduced in military per-
sonnel accounts by reason of the use of such authority.

“(4) PART-YEAR APPROPRIATIONS.—If, on the
date specified in paragraph (1), there is in effect an
Act making or continuing appropriations for part of
a fiscal year for any budget account, then the dollar
sequestration calculated for that account under para-
graphs (2) and (3) shall be subtracted from—

“(A) the annualized amount otherwise
available by law in that account under that or
a subsequent part-year appropriation; and

“(B) when a full-year appropriation for
that account is enacted, from the amount other-
wise provided by the full-year appropriation.

“(5) LOOK-BACK.—If, after June 30, an appro-
priation for the fiscal year in progress is enacted that
causes a breach for that year (after taking into ac-
count any sequestration of amounts), the discre-
tionary spending limits for the next fiscal year shall
be reduced by the amount or amounts of that breach.

“(6) WITHIN-SESSION SEQUESTRATION.—If an
appropriation for a fiscal year in progress is enacted
(after Congress adjourns to end the session for that
budget year and before July 1 of that fiscal year) that
causes a breach for that year (after taking into ac-
count any prior sequestration of amounts), 15 days
later there shall be a sequestration to eliminate that
breach following the procedures set forth in para-
graphs (2) through (4).

“(7) ESTIMATES.—

“(A) CBO ESTIMATES.—As soon as prac-
ticable after Congress completes action on any
discretionary appropriation, CBO, after con-
sultation with the Committees on the Budget of
the House of Representatives and the Senate,
shall provide OMB with an estimate of the
amount of discretionary new budget authority
for the current year, if any, and the budget year
provided by that legislation.

“(B) OMB ESTIMATES AND EXPLANATION
OF DIFFERENCES.—Not later than 7 calendar
days (excluding Saturdays, Sundays, and legal
holidays) after the date of enactment of any dis-
cretionary appropriation, OMB shall transmit a report to the House of Representatives and to the Senate containing the CBO estimate of that legislation, an OMB estimate of the amount of discretionary new budget authority for the current year, if any, and the budget year provided by that legislation, and an explanation of any difference between the 2 estimates. If during the preparation of the report OMB determines that there is a significant difference between OMB and CBO, OMB shall consult with the Committees on the Budget of the House of Representatives and the Senate regarding that difference and that consultation shall include, to the extent practicable, written communication to those committees that affords such committees the opportunity to comment before the issuance of the report.

“(C) ASSUMPTIONS AND GUIDELINES.—OMB estimates under this paragraph shall be made using current economic and technical assumptions. OMB shall use the OMB estimates transmitted to the Congress under this paragraph. OMB and CBO shall prepare estimates under this paragraph in conformance with
scorekeeping guidelines determined after consultation among the House and Senate Committees on the Budget, CBO, and OMB.

“(D) ANNUAL APPROPRIATIONS.—For purposes of this paragraph, amounts provided by annual appropriations shall include any discretionary appropriations for the current year, if any, and the budget year in accounts for which funding is provided in that legislation that result from previously enacted legislation.

“(b) ADJUSTMENTS TO DISCRETIONARY SPENDING LIMITS.—

“(1) CONCEPTS AND DEFINITIONS.—When the President submits the budget under section 1105 of title 31, United States Code, OMB shall calculate and the budget shall include adjustments to discretionary spending limits (and those limits as cumulatively adjusted) for the budget year and each outyear to reflect changes in concepts and definitions. Such changes shall equal the baseline levels of new budget authority and outlays using up-to-date concepts and definitions minus those levels using the concepts and definitions in effect before such changes. Such changes may only be made after consultation with the Committees on Appropriations and the Budget of the House of Rep-
resentatives and the Senate and that consultation shall include written communication to such committees that affords such committees the opportunity to comment before official action is taken with respect to such changes.

“(2) Sequestration reports.—When OMB submits a sequestration report under section 254(e), (f), or (g) for a fiscal year, OMB shall calculate, and the sequestration report and subsequent budgets submitted by the President under section 1105(a) of title 31, United States Code, shall include adjustments to discretionary spending limits (and those limits as adjusted) for the fiscal year and each succeeding year, as follows:

“(A) Emergency Appropriations; Overseas Contingency Operations/Global War on Terrorism.—If, for any fiscal year, appropriations for discretionary accounts are enacted that—

“(i) the President designates as emergency requirements and that the Congress so designates in statute on an account by account basis; or

“(ii) the President designates for Overseas Contingency Operations/Global War on
Terrorism and that the Congress so designates in statute on an account by account basis;
the adjustment shall be the total of such appropriations in discretionary accounts designated as emergency requirements or for Overseas Contingency Operations/Global War on Terrorism, as applicable, and the outlays flowing in all fiscal years from such appropriations.

“(B) CONTINUING DISABILITY REVIEWS AND REDETERMINATIONS.—(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for continuing disability reviews under titles II and XVI of the Social Security Act and for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, then the adjustments for that fiscal year shall be the additional new budget authority provided in that Act for such expenses for that fiscal year and the additional outlays flowing therefrom, but shall not exceed—

“(I) for fiscal year 2012, $623,000,000 in additional new budget authority;
“(II) for fiscal year 2013, $751,000,000 in additional new budget authority;

“(III) for fiscal year 2014, $924,000,000 in additional new budget authority;

“(IV) for fiscal year 2015, $1,123,000,000 in additional new budget authority;

“(V) for fiscal year 2016, $1,166,000,000 in additional new budget authority;

“(VI) for fiscal year 2017, $1,309,000,000 in additional new budget authority;

“(VII) for fiscal year 2018, $1,309,000,000 in additional new budget authority;

“(VIII) for fiscal year 2019, $1,309,000,000 in additional new budget authority;

“(IX) for fiscal year 2020, $1,309,000,000 in additional new budget authority; and
“(X) for fiscal year 2021, $1,309,000,000 in additional new budget authority.

“(ii) As used in this subparagraph—

“(I) the term ‘continuing disability reviews’ means continuing disability reviews under titles II and XVI of the Social Security Act and redeterminations of eligibility under title XVI of the Social Security Act;

and

“(II) the term ‘additional new budget authority’ means the amount provided for a fiscal year, in excess of $273,000,000, in an appropriation Act and specified to pay for the costs of continuing disability reviews under the heading ‘Limitation on Administrative Expenses’ for the Social Security Administration.

“(C) HEALTH CARE FRAUD AND ABUSE CONTROL.—

“(i) If a bill or joint resolution making appropriations for a fiscal year is enacted that specifies an amount for the health care fraud abuse control program at the Department of Health and Human Services (75–
8393–0–7–571), then the adjustments for that fiscal year shall be the amount of additional new budget authority provided in that Act for such program for that fiscal year and the additional outlays flowing therefrom, but shall not exceed—

“(I) for fiscal year 2012, $270,000,000 in additional new budget authority;

“(II) for fiscal year 2013, $299,000,000 in additional new budget authority;

“(III) for fiscal year 2014, $329,000,000 in additional new budget authority;

“(IV) for fiscal year 2015, $361,000,000 in additional new budget authority;

“(V) for fiscal year 2016, $395,000,000 in additional new budget authority;

“(VI) for fiscal year 2017, $414,000,000 in additional new budget authority;
“(VII) for fiscal year 2018, $434,000,000 in additional new budget authority;
“(VIII) for fiscal year 2019, $454,000,000 in additional new budget authority;
“(IX) for fiscal year 2020, $475,000,000 in additional new budget authority; and
“(X) for fiscal year 2021, $496,000,000 in additional new budget authority.
“(ii) As used in this subparagraph, the term ‘additional new budget authority’ means the amount provided for a fiscal year, in excess of $311,000,000, in an appropriation Act and specified to pay for the costs of the health care fraud and abuse control program.

The adjustment for outlays shall only be for the outlays flowing from the additional new budget authority and the total outlays adjustments made for any fiscal year shall not exceed the total adjustments made for that fiscal year in new budget authority.
“(c) DISCRETIONARY SPENDING LIMIT.—As used in this part, the term ‘discretionary spending limit’ means—

“(1) with respect to fiscal year 2012, for total discretionary spending: $1,043,000,000,000, in new budget authority of which new budget authority for function 050 shall be between $535,440,000,000 and $568,560,000,000;

“(2) with respect to fiscal year 2013, for total discretionary spending: $1,047,000,000,000 in new budget authority of which new budget authority for function 050 shall be between $537,440,000,000 and $570,560,000,000;

“(3) with respect to fiscal year 2014, for total discretionary spending: $1,066,000,000,000 in new budget authority;

“(4) with respect to fiscal year 2015, for total discretionary spending: $1,086,000,000,000 in new budget authority;

“(5) with respect to fiscal year 2016, for total discretionary spending: $1,107,000,000,000 in new budget authority;

“(6) with respect to fiscal year 2017, for total discretionary spending: $1,131,000,000,000 in new budget authority;
“(7) with respect to fiscal year 2018, for total discretionary spending: $1,156,000,000,000 in new budget authority;

“(8) with respect to fiscal year 2019, for total discretionary spending: $1,182,000,000,000 in new budget authority;

“(9) with respect to fiscal year 2020, for total discretionary spending: $1,208,000,000,000 in new budget authority; and

“(10) with respect to fiscal year 2021, for total discretionary spending: $1,234,000,000,000 in new budget authority;
as adjusted in strict conformance with subsection (b).”.

SEC. 102. DEFINITIONS.

Section 250(c) is amended as follows:

(1) Strike paragraph (4) and redesignate succeeding paragraphs accordingly.

(2) In paragraph (7)(C) (as redesignated), strike “the food stamp program” and insert “the Supplemental Nutrition Assistance Program”.

(3) Strike paragraph (13) (as redesignated) and insert the following new paragraph:

“(13) The term ‘outyear’ means a fiscal year one or more years after the budget year.”.
(4) At the end, add the following new paragraphs:

“(19) The term ‘emergency’ means a situation that—

“(A) requires new budget authority and outlays (or new budget authority and the outlays flowing therefrom) for the prevention or mitigation of, or response to, loss of life or property, or a threat to national security; and

“(B) is unanticipated.

“(20) The term ‘unanticipated’ means that the underlying situation is—

“(A) sudden, which means quickly coming into being or not building up over time;

“(B) urgent, which means a pressing and compelling need requiring immediate action;

“(C) unforeseen, which means not predicted or anticipated as an emerging need; and

“(D) temporary, which means not of a permanent duration.”.

SEC. 103. REPORTS AND ORDERS.

Section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended as follows:

(1) In subsection (c)(2), strike “2002” and insert “2021”.

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(2) In subsection (f)(2)(A), strike “2002” and insert “2021”.

SEC. 104. EXPIRATION.

(a) REPEALER.—Section 275 of the Balanced Budget and Emergency Deficit Control Act of 1985 is repealed.

(b) CONFORMING CHANGE.—Sections 252(d)(1), 254(c), 254(f)(3), 254(f)(4), 254(g), and 254(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 shall not apply to the Congressional Budget Office.

SEC. 105. CONFORMING AMENDMENTS TO THE CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974.

(a) ADJUSTMENTS.—Section 314 of the Congressional Budget Act of 1974 is amended as follows:

(1) Strike subsection (a) and insert the following:

“(a) ADJUSTMENTS.—After the reporting of a bill or joint resolution or the offering of an amendment thereto or the submission of a conference report thereon, the chairman of the Committee on the Budget of the House of Representatives or the Senate may make appropriate budgetary adjustments of new budget authority and the outlays flowing therefrom in the same amount as required by section 251(b) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.
(2) Strike subsections (b) and (e) and redesignate subsections (c) and (d) as subsections (b) and (c), respectively.

(3) At the end, add the following new subsections:

“(d) EMERGENCIES.—If a reported bill or joint resolution, or amendment thereto or conference report thereon, contains a provision providing new budget authority and outlays or reducing revenue, and a designation of such provision as an emergency requirement pursuant to 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, the chair of the Committee on the Budget shall not count the budgetary effects of such provision for purposes of title III and title IV of the Congressional Budget Act of 1974 and the Rules of the House of Representatives.

“(e) ENFORCEMENT OF DISCRETIONARY SPENDING CAPS.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would cause the discretionary spending limits as set forth in section 251 of the Balanced Budget and Emergency Deficit Control Act to be exceeded.”.

(b) MOTION TO STRIKE IN THE HOUSE OF REPRESENTATIVES.—(1) In the House of Representatives, if a
reported bill or joint resolution, or amendment thereto or
conference report thereon, contains a provision providing
new budget authority and outlays or reducing revenue, and
a designation of such provision as an emergency pursuant
to this section, the chair of the Committee on the Budget
shall not count the budgetary effects of such provision for
purposes of title III and title IV of the Congressional Budget

(2) In the House of Representatives, a proposal to
strike a designation under paragraph (1) shall be excluded
from an evaluation of budgetary effects for purposes of title
III and title IV of the Congressional Budget Act of 1974
and the Rules of the House of Representatives.

(3) An amendment offered under paragraph (2) that
also proposes to reduce each amount appropriated or other-
wise made available by the pending measure that is not
required to be appropriated or otherwise made available
shall be in order at any point in the reading of the pending
measure.

(c) DEFINITIONS.—Section 3 of the Congressional
Budget and Impoundment Control Act of 1974 is amended
by adding at the end the following new paragraph:

“(11) The terms ‘emergency’ and ‘unanticipated’
have the meanings given to such terms in section
250(c) of the Balanced Budget and Emergency Deficit
Control Act of 1985.”.

(d) APPEALS FOR DISCRETIONARY CAPS.—Section
904(c)(2) of the Congressional Budget Act of 1974 is amend-
ed by striking “and 312(c)” and inserting “312(c), and
314(e)”.

**TITLE II—VOTE ON THE BAL-
ANCED BUDGET AMENDMENT**

**SEC. 201. VOTE ON THE BALANCED BUDGET AMENDMENT.**

After September 30, 2011, and not later than December
31, 2011, the House of Representatives and Senate, respec-
tively, shall vote on passage of a joint resolution, the title
of which is as follows: “Joint resolution proposing a bal-
anced budget amendment to the Constitution of the United
States.”.

**SEC. 202. CONSIDERATION BY THE OTHER HOUSE.**

(a) House Consideration.—

(1) Referral.—If the House receives a joint
resolution described in section 201 from the Senate,
such joint resolution shall be referred to the Com-
mittee on the Judiciary. If the committee fails to re-
port the joint resolution within five legislative days,
it shall be in order to move that the House discharge
the committee from further consideration of the joint
resolution. Such a motion shall not be in order after
the House has disposed of a motion to discharge the
joint resolution. The previous question shall be consid-
ered as ordered on the motion to its adoption without
intervening motion except twenty minutes of debate
equally divided and controlled by the proponent and
an opponent. If such a motion is adopted, the House
shall proceed immediately to consider the joint resolu-
tion in accordance with paragraph (3). A motion to
reconsider the vote by which the motion is disposed of
shall not be in order.

(2) PROCEEDING TO CONSIDERATION.—After the
joint resolution has been referred to the appropriate
calendar or the committee has been discharged (other
than by motion) from its consideration, it shall be in
order to move to proceed to consider the joint resolu-
tion in the House. Such a motion shall not be in
order after the House has disposed of a motion to pro-
ceed with respect to the joint resolution. The previous
question shall be considered as ordered on the motion
to its adoption without intervening motion. A motion
to reconsider the vote by which the motion is disposed
of shall not be in order.

(3) CONSIDERATION.—The joint resolution shall
be considered as read. All points of order against the
joint resolution and against its consideration are
waived. The previous question shall be considered as ordered on the joint resolution to its passage without intervening motion except two hours of debate equally divided and controlled by the proponent and an opponent and one motion to limit debate on the joint resolution. A motion to reconsider the vote on passage of the joint resolution shall not be in order.

(b) Senate Consideration.—(1) If the Senate receives a joint resolution described in section 201 from the House of Representatives, such joint resolution shall be referred to the appropriate committee of the Senate. If such committee has not reported the joint resolution at the close of the fifth session day after its receipt by the Senate, such committee shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the calendar.

(2) Consideration of the joint resolution and on all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, which shall be divided equally between the majority and minority leaders or their designees. A motion further to limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the joint resolution is not in order. Any debatable motion or appeal is debatable for
not to exceed 1 hour, to be divided equally between those favoring and those opposing the motion or appeal. All time used for consideration of the joint resolution, including time used for quorum calls and voting, shall be counted against the total 20 hours of consideration.

(3) If the Senate has voted to proceed to a joint resolution, the vote on passage of the joint resolution shall be taken on or before the close of the seventh session day after such joint resolution has been reported or discharged or immediately following the conclusion of consideration of the joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the Senate.

TITLE III—DEBT CEILING DISAPPROVAL PROCESS

SEC. 301. DEBT CEILING DISAPPROVAL PROCESS.

Subchapter I of chapter 31 of subtitle III of title 31, United States Code, is amended—

(1) in section 3101(b), by striking “or otherwise” and inserting “or as provided by section 3101A or otherwise”; and

(2) by inserting after section 3101, the following:

“§3101A. Presidential modification of the debt ceiling

“(a) IN GENERAL.—

“(1) $900 BILLION.—
“(A) CERTIFICATION.—If, not later than December 31, 2011, the President submits a written certification to Congress that the President has determined that the debt subject to limit is within $100,000,000,000 of the limit in section 3101(b) and that further borrowing is required to meet existing commitments, the Secretary of the Treasury may exercise authority to borrow an additional $900,000,000,000 subject to the enactment of a joint resolution of disapproval enacted pursuant to this section. Upon submission of such certification, the limit on debt provided in section 3101(b) (referred to in this section as the ‘debt limit’) is increased by $400,000,000,000.

“(B) RESOLUTION OF DISAPPROVAL.—Congress may consider a joint resolution of disapproval of the authority under subparagraph (A) as provided in subsections (b) through (f). The joint resolution of disapproval considered under this section shall contain only the language provided in subsection (b)(2). If the time for disapproval has lapsed without enactment of a joint resolution of disapproval under this sec-
tion, the debt limit is increased by an additional $500,000,000,000.

“(2) ADDITIONAL AMOUNT.—

“(A) CERTIFICATION.—If, after the debt limit is increased by $900,000,000,000 under paragraph (1), the President submits a written certification to Congress that the President has determined that the debt subject to limit is within $100,000,000,000 of the limit in section 3101(b) and that further borrowing is required to meet existing commitments, the Secretary of the Treasury may exercise authority to borrow an additional amount equal to $1,600,000,000,000 if the amount of deficit reduction achieved pursuant to the enactment of the joint committee bill as set forth pursuant to section 401(b)(3) of the Budget Control Act of 2011 is greater than $1,600,000,000,000 and the Archivist of the United States has submitted to the States for their ratification a proposed amendment to the Constitution of the United States pursuant to a joint resolution entitled ‘Joint resolution proposing a balanced budget amendment to the Constitution of the United States’, subject to the enactment of a joint resolu-
tion of disapproval enacted pursuant to this section.

“(B) RESOLUTION OF DISAPPROVAL.—Congress may consider a joint resolution of disapproval of the authority under subparagraph (A) as provided in subsections (b) through (f). The joint resolution of disapproval considered under this section shall contain only the language provided in subsection (b)(2). If the time for disapproval has lapsed without enactment of a joint resolution of disapproval under this section, the debt limit is increased by the amount authorized under subparagraph (A).

“(b) JOINT RESOLUTION OF DISAPPROVAL.—

“(1) IN GENERAL.—Except for the $400,000,000,000 increase in the debt limit provided by subsection (a)(1)(A), the debt limit may not be raised under this section if, within 60 calendar days after the date on which Congress receives a certification described in subsection (a)(1) or within 15 calendar days after Congress receives the certification described in subsection (a)(2) (regardless of whether Congress is in session), there is enacted into law a joint resolution disapproving the President’s exercise of authority with respect to such additional amount.
“(2) CONTENTS OF JOINT RESOLUTION.—For the purpose of this section, the term ‘joint resolution’ means only a joint resolution—

“(A)(i) for the certification described in subsection (a)(1), that is introduced on September 6, 7, 8, or 9, 2011 (or, if the Senate was not in session, the next calendar day on which the Senate is in session); and

“(ii) for the certification described in subsection (a)(2), that is introduced between the date the certification is received and 3 calendar days after that date;

“(B) which does not have a preamble;

“(C) the title of which is only as follows: ‘Joint resolution relating to the disapproval of the President’s exercise of authority to increase the debt limit, as submitted under section 3101A of title 31, United States Code, on __________’, with the blank containing the date of such submission; and

“(D) the matter after the resolving clause of which is only as follows: ‘That Congress disapproves of the President’s exercise of authority to increase the debt limit, as exercised pursuant
to the certification under section 3101A(a) of title 31, United States Code.’.

“(c) EXPEDITED CONSIDERATION IN HOUSE OF REPRESENTATIVES.—

“(1) RECONVENING.—Upon receipt of a certification described in subsection (a)(2), the Speaker, if the House would otherwise be adjourned, shall notify the Members of the House that, pursuant to this section, the House shall convene not later than the second calendar day after receipt of such certification.

“(2) REPORTING AND DISCHARGE.—Any committee of the House of Representatives to which a joint resolution is referred shall report it to the House without amendment not later than 5 calendar days after the date of introduction of a joint resolution described in subsection (a). If a committee fails to report the joint resolution within that period, the committee shall be discharged from further consideration of the joint resolution and the joint resolution shall be referred to the appropriate calendar.

“(3) PROCEEDING TO CONSIDERATION.—After each committee authorized to consider a joint resolution reports it to the House or has been discharged from its consideration, it shall be in order, not later than the sixth day after introduction of a joint resolu-
tion under subsection (a), to move to proceed to con-
consider the joint resolution in the House. All points of
order against the motion are waived. Such a motion
shall not be in order after the House has disposed of
a motion to proceed on a joint resolution addressing
a particular submission. The previous question shall
be considered as ordered on the motion to its adoption
without intervening motion. The motion shall not be
debatable. A motion to reconsider the vote by which
the motion is disposed of shall not be in order.

“(4) CONSIDERATION.—The joint resolution shall
be considered as read. All points of order against the
joint resolution and against its consideration are
waived. The previous question shall be considered as
ordered on the joint resolution to its passage without
intervening motion except two hours of debate equally
divided and controlled by the proponent and an oppo-
nent. A motion to reconsider the vote on passage of
the joint resolution shall not be in order.

“(d) EXPEDITED PROCEDURE IN SENATE.—

“(1) RECONVENING.—Upon receipt of a certifi-
cation under subsection (a)(2), if the Senate has ad-
journed or recessed for more than 2 days, the majority
leader of the Senate, after consultation with the mi-
nority leader of the Senate, shall notify the Members
of the Senate that, pursuant to this section, the Senate shall convene not later than the second calendar day after receipt of such message.

“(2) **Placement on Calendar.**—Upon introduction in the Senate, the joint resolution shall be immediately placed on the calendar.

“(3) **Floor Consideration.**—

“(A) **In general.**—Notwithstanding Rule XXII of the Standing Rules of the Senate, it is in order at any time during the period beginning on the day after the date on which Congress receives a certification under subsection (a) and, for the certification described in subsection (a)(1), ending on September 14, 2011, and for the certification described in subsection (a)(2), on the 6th day after the date on which Congress receives a certification under subsection (a) (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the mo-
tion is agreed to or disagreed to shall not be in
order. If a motion to proceed to the considera-
tion of the resolution is agreed to, the joint resolution
shall remain the unfinished business until dis-
posed of.

“(B) Consideration.—Consideration of
the joint resolution, and on all debatable motions
and appeals in connection therewith, shall be
limited to not more than 10 hours, which shall
be divided equally between the majority and mi-
nority leaders or their designees. A motion fur-
ther to limit debate is in order and not debat-
able. An amendment to, or a motion to postpone,
or a motion to proceed to the consideration of
other business, or a motion to recommit the joint
resolution is not in order.

“(C) Vote on Passage.—If the Senate has
voted to proceed to a joint resolution, the vote on
passage of the joint resolution shall occur imme-
diately following the conclusion of consideration
of the joint resolution, and a single quorum call
at the conclusion of the debate if requested in ac-
cordance with the rules of the Senate.

“(D) Rulings of the Chair on Proce-
dure.—Appeals from the decisions of the Chair
relating to the application of the rules of the Senate, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

“(e) Amendment Not in Order.—A joint resolution of disapproval considered pursuant to this section shall not be subject to amendment in either the House of Representatives or the Senate.

“(f) Coordination With Action by Other House.—

“(1) In General.—If, before passing the joint resolution, one House receives from the other a joint resolution—

“(A) the joint resolution of the other House shall not be referred to a committee; and

“(B) the procedure in the receiving House shall be the same as if no joint resolution had been received from the other House until the vote on passage, when the joint resolution received from the other House shall supplant the joint resolution of the receiving House.

“(2) Treatment of Joint Resolution of Other House.—If the Senate fails to introduce or consider a joint resolution under this section, the joint
resolution of the House shall be entitled to expedited
floor procedures under this section.

“(3) Treatment of companion measures.—If,
following passage of the joint resolution in the Senate,
the Senate then receives the companion measure from
the House of Representatives, the companion measure
shall not be debatable.

“(4) Consideration after passage.—(A) If
Congress passes a joint resolution, the period begin-
ning on the date the President is presented with the
joint resolution and ending on the date the President
signs, allows to become law without his signature, or
vetoes and returns the joint resolution (but excluding
days when either House is not in session) shall be dis-
regarded in computing the appropriate calendar day
period described in subsection (b)(1).

“(B) debate on a veto message in the Senate
under this section shall be 1 hour equally divided be-
tween the majority and minority leaders or their des-
ignees.

“(5) Veto override.—If within the appro-
priate calendar day period described in subsection
(b)(1), Congress overrides a veto of the joint resolution
with respect to authority exercised pursuant to para-
graph (1) or (2) of subsection (a), the limit on debt
provided in section 3101(b) shall not be raised, except for the $400,000,000,000 increase in the limit provided by subsection (a)(1)(A).

“(6) SEQUESTER.—(A) If within the 60-calendar day period described in subsection (b)(1), Congress overrides a veto of the joint resolution with respect to authority exercised pursuant to paragraph (1) of subsection (a), OMB shall, immediately, sequester pro rata amounts from all discretionary and direct spending accounts as defined in section 250(c) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)) (as in effect September 30, 2006) equal to $400,000,000,000. No reduction of payments for net interest (functional category 900) shall be made under any order issued under this paragraph.

“(B) Section 255 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall not apply to this section, except that payments for military personnel accounts (within subfunctional category 051), TRICARE for Life, Medicare (functional category 570), military retirement, Social Security (functional category 650), veterans (functional category 700), and net interest (functional category 900) shall be exempt.
“(g) Rules of House of Representatives and Senate.—This subsection and subsections (b), (c), (d), (e), and (f) are enacted by Congress—

“(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution, and it supersedes other rules only to the extent that it is inconsistent with such rules; and

“(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.”.

TITLE IV—JOINT SELECT COMMITTEE ON DEFICIT REDUCTION

SEC. 401. ESTABLISHMENT OF JOINT SELECT COMMITTEE.

(a) Definitions.—In this title:

(1) Joint select committee.—The term “joint committee” means the Joint Select Committee on Deficit Reduction established under subsection (b)(1).
(2) Joint Select Committee Bill.—The term “joint committee bill” means a bill consisting of the proposed legislative language of the joint committee recommended under subsection (b)(3)(B) and introduced under section 402(a).

(b) Establishment of Joint Select Committee.—

(1) Establishment.—There is established a joint select committee of Congress to be known as the “Joint Select Committee on Deficit Reduction”.

(2) Goal.—The goal of the joint committee shall be to reduce the deficit by $1,800,000,000,000 or more over the period of fiscal years 2012 to 2021.

(3) Duties.—

(A) In general.—

(i) Improving the short-term and long-term fiscal imbalance.—The joint committee shall provide recommendations and legislative language that will significantly improve the short-term and long-term fiscal imbalance of the Federal Government.

(ii) Recommendations of committees.—Not later than October 14, 2011, each committee of the House of Representatives and the Senate may transmit to the
joint committee its recommendations for changes in law to reduce the deficit consistent with the goal described in subsection (b)(2) for the joint committee’s consideration.

(B) REPORT, RECOMMENDATIONS, AND LEGISLATIVE LANGUAGE.—

(i) IN GENERAL.—Not later than November 23, 2011, the joint committee shall vote on—

(I) a report that contains a detailed statement of the findings, conclusions, and recommendations of the joint committee and the CBO estimate required by paragraph (5)(D)(ii); and

(II) proposed legislative language to carry out such recommendations as described in subclause (I) which shall include a statement of the deficit reduction achieved by the legislation over the period of fiscal years 2012 to 2021.

Any change to the Rules of the House of Representatives or the Standing Rules of the Senate included in the report or legislative
language shall be considered to be merely 
advisory.

(ii) APPROVAL OF REPORT AND LEGIS-
LATIVE LANGUAGE.—The report of the joint 
committee and the proposed legislative lan-
guage described in clause (i) shall require 
the approval of a majority of the members 
of the joint committee.

(iii) ADDITIONAL VIEWS.—A member 
of the joint committee who gives notice of an 
intention to file supplemental, minority, or 
additional views at the time of final joint 
committee vote on the approval of the report 
and legislative language under clause (ii), 
shall be entitled to 3 calendar days in 
which to file such views in writing with the 
staff director of the joint committee. Such 
views shall then be included in the joint 
committee report and printed in the same 
volume, or part thereof, and their inclusion 
shall be noted on the cover of the report. In 
the absence of timely notice, the joint com-
mittee report may be printed and trans-
mitted immediately without such views.
(iv) Transmission of report and legislative language.—If the report and legislative language are approved by the joint committee pursuant to clause (ii), then not later than December 2, 2011, the joint committee shall submit the joint committee report and legislative language described in clause (i) to the President, the Vice President, the Speaker of the House, and the Majority and Minority Leaders of both Houses.

(v) Report and legislative language to be made public.—Upon the approval or disapproval of the joint committee report and legislative language pursuant to clause (ii), the joint committee shall promptly make the full report and legislative language, and a record of the vote, available to the public.

(4) Membership.—

(A) In general.—The joint committee shall be composed of 12 members appointed pursuant to subparagraph (B).

(B) Designation.—Members of the joint committee shall be appointed as follows:
(i) The majority leader of the Senate shall appoint three members from among Members of the Senate.

(ii) The minority leader of the Senate shall appoint three members from among Members of the Senate.

(iii) The Speaker of the House of Representatives shall appoint three members from among Members of the House of Representatives.

(iv) The minority leader of the House of Representatives shall appoint three members from among Members of the House of Representatives.

(C) CO-CHAIRS.—

(i) IN GENERAL.—There shall be two Co-Chairs of the joint committee. The majority leader of the Senate shall appoint one Co-Chair from among the members of the joint committee. The Speaker of the House of Representatives shall appoint the second Co-Chair from among the members of the joint committee. The Co-Chairs shall be appointed not later than 14 calendar days after the date of enactment of this section.
(ii) **Staff Director.**—The Co-Chairs, acting jointly, shall hire the staff director of the joint committee.

(D) **Date.**—Members of the joint committee shall be appointed not later than 14 calendar days after the date of enactment of this section.

(E) **Period of Appointment.**—Members shall be appointed for the life of the joint committee. Any vacancy in the joint committee shall not affect its powers, but shall be filled not later than 14 calendar days after the date on which the vacancy occurs in the same manner as the original designation. If a member of the committee leaves Congress, the member is no longer a member of the joint committee and a vacancy shall exist.

(5) **Administration.**—

(A) **In General.**—To enable the joint committee to exercise its powers, functions and duties, there are authorized to be disbursed by the Senate the actual and necessary expenses of the joint committee approved by the co-chairs, subject to Senate rules and regulations.

(B) **Expenses.**—In carrying out its functions, the joint committee is authorized to incur
expenses in the same manner and under the same conditions as the Joint Economic Com-
mittee as authorized by section 11 of Public Law 79–304 (15 U.S.C. 1024(d)).

(C) QUORUM.—Seven members of the joint committee shall constitute a quorum for purposes of voting, meeting, and holding hearings.

(D) VOTING.—

(i) PROXY VOTING.—No proxy voting shall be allowed on behalf of the members of the joint committee.

(ii) CONGRESSIONAL BUDGET OFFICE ESTIMATES.—The Congressional Budget Office shall provide estimates of the legislation (as described in paragraph (3)(B)) in ac-
cordance with sections 308(a) and 201(f) of the Congressional Budget Act of 1974 (2 U.S.C. 639(a) and 601(f)) (including esti-
mates of the effect of interest payment on the debt). In addition, the Congressional Budget Office shall provide information on the budgetary effect of the legislation beyond the year 2021. The joint committee may not vote on any version of the report, rec-
ommendations, or legislative language un-
less such estimates are available for consider-

ation by all members of the joint com-

mittee at least 48 hours prior to the vote as
certified by the Co-Chairs.

(E) MEETINGS.—

(i) INITIAL MEETING.—Not later than
45 calendar days after the date of enact-
ment of this section, the joint committee
shall hold its first meeting.

(ii) AGENDA.—The Co-Chairs shall
provide an agenda to the joint committee
members not less than 48 hours in advance
of any meeting.

(F) HEARINGS.—

(i) IN GENERAL.—The joint committee
may, for the purpose of carrying out this
section, hold such hearings, sit and act at
such times and places, require attendance of
witnesses and production of books, papers,
and documents, take such testimony, receive
such evidence, and administer such oaths
the joint committee considers advisable.

(ii) HEARING PROCEDURES AND RE-
sponsibilities of CO-CHAIRS.—
(I) ANNOUNCEMENT.—The joint committee Co-Chairs shall make a public announcement of the date, place, time, and subject matter of any hearing to be conducted not less than 7 days in advance of such hearing, unless the Co-Chairs determine that there is good cause to begin such hearing at an earlier date.

(II) WRITTEN STATEMENT.—A witness appearing before the joint committee shall file a written statement of proposed testimony at least 2 calendar days prior to appearance, unless the requirement is waived by the Co-Chairs, following their determination that there is good cause for failure of compliance.

(G) TECHNICAL ASSISTANCE.—Upon written request of the Co-Chairs, a Federal agency shall provide technical assistance to the joint committee in order for the joint committee to carry out its duties.

(c) STAFF OF JOINT COMMITTEE.—
(1) **IN GENERAL.**—The Co-Chairs of the joint committee may jointly appoint and fix the compensation of staff as they deem necessary, within the guidelines for Senate employees and following all applicable Senate rules and employment requirements.

(2) **ETHICAL STANDARDS.**—Members on the joint committee who serve in the House of Representatives shall be governed by the House ethics rules and requirements. Members of the Senate who serve on the joint committee and staff of the joint committee shall comply with Senate ethics rules.

(d) **TERMINATION.**—The joint committee shall terminate on January 13, 2012.

**SEC. 402.** **EXPEDITED CONSIDERATION OF JOINT COMMITTEE RECOMMENDATIONS.**

(a) **INTRODUCTION.**—If approved by the majority required by section 401(b)(3)(B)(ii), the proposed legislative language submitted pursuant to section 401(b)(3)(B)(iv) shall be introduced in the Senate (by request) on the next day on which the Senate is in session by the majority leader of the Senate or by a Member of the Senate designated by the majority leader of the Senate and shall be introduced in the House of Representatives (by request) on the next legislative day by the majority leader of the House or by
a Member of the House designated by the majority leader of the House.

(b) Consideration in the House of Representatives.—

(1) Referral and reporting.—Any committee of the House of Representatives to which the joint committee bill is referred shall report it to the House without amendment not later than December 9, 2011. If a committee fails to report the joint committee bill within that period, it shall be in order to move that the House discharge the committee from further consideration of the bill. Such a motion shall not be in order after the last committee authorized to consider the bill reports it to the House or after the House has disposed of a motion to discharge the bill. The previous question shall be considered as ordered on the motion to its adoption without intervening motion except 20 minutes of debate equally divided and controlled by the proponent and an opponent. If such a motion is adopted, the House shall proceed immediately to consider the joint committee bill in accordance with paragraphs (2) and (3). A motion to reconsider the vote by which the motion is disposed of shall not be in order.
(2) PROCEEDING TO CONSIDERATION.—After the last committee authorized to consider a joint committee bill reports it to the House or has been discharged (other than by motion) from its consideration, it shall be in order to move to proceed to consider the joint committee bill in the House. Such a motion shall not be in order after the House has disposed of a motion to proceed with respect to the joint committee bill. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. A motion to reconsider the vote by which the motion is disposed of shall not be in order.

(3) CONSIDERATION.—The joint committee bill shall be considered as read. All points of order against the joint committee bill and against its consideration are waived. The previous question shall be considered as ordered on the joint committee bill to its passage without intervening motion except 2 hours of debate equally divided and controlled by the proponent and an opponent and one motion to limit debate on the joint committee bill. A motion to reconsider the vote on passage of the joint committee bill shall not be in order.
(4) VOTE ON PASSAGE.—The vote on passage of
the joint committee bill shall occur not later than De-
cember 23, 2011.

(c) EXPEDITED PROCEDURE IN THE SENATE.—

(1) COMMITTEE CONSIDERATION.—A joint com-
mittee bill introduced in the Senate under subsection
(a) shall be jointly referred to the committee or com-
mittees of jurisdiction, which committees shall report
the bill without any revision and with a favorable
recommendation, an unfavorable recommendation, or
without recommendation, not later than December 9,
2011. If any committee fails to report the bill within
that period, that committee shall be automatically
discharged from consideration of the bill, and the bill
shall be placed on the appropriate calendar.

(2) MOTION TO PROCEED.—Notwithstanding
Rule XXII of the Standing Rules of the Senate, it is
in order, not later than 2 days of session after the
date on which a joint committee bill is reported or
discharged from all committees to which it was re-
ferred, for the majority leader of the Senate or the
majority leader’s designee to move to proceed to the
consideration of the joint committee bill. It shall also
be in order for any Member of the Senate to move to
proceed to the consideration of the joint committee bill
at any time after the conclusion of such 2-day period.

A motion to proceed is in order even though a previous motion to the same effect has been disagreed to.

All points of order against the motion to proceed to the joint committee bill are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the joint committee bill is agreed to, the joint committee bill shall remain the unfinished business until disposed of.

(3) CONSIDERATION.—All points of order against the joint committee bill and against consideration of the joint committee bill are waived. Consideration of the joint committee bill and of all debatable motions and appeals in connection therewith shall not exceed a total of 30 hours which shall be divided equally between the Majority and Minority Leaders or their designees. A motion further to limit debate on the joint committee bill is in order, shall require an affirmative vote of three-fifths of the Members duly chosen and sworn, and is not debatable. Any debatable motion or appeal is debatable for not to exceed 1 hour, to be divided equally between those favoring and
those opposing the motion or appeal. All time used for
consideration of the joint committee bill, including
time used for quorum calls and voting, shall be counted
against the total 30 hours of consideration.

(4) NO AMENDMENTS.—An amendment to the
joint committee bill, or a motion to postpone, or a
motion to proceed to the consideration of other busi-
ness, or a motion to recommit the joint committee
bill, is not in order.

(5) VOTE ON PASSAGE.—If the Senate has voted
to proceed to the joint committee bill, the vote on pas-
sage of the joint committee bill shall occur imme-
diately following the conclusion of the debate on a
joint committee bill, and a single quorum call at the
conclusion of the debate if requested. The vote on pas-
sage of the joint committee bill shall occur not later
than December 23, 2011.

(6) RULINGS OF THE CHAIR ON PROCEDURE.—
Appeals from the decisions of the Chair relating to the
application of the rules of the Senate, as the case may
be, to the procedure relating to a joint committee bill
shall be decided without debate.

(d) AMENDMENT.—The joint committee bill shall not
be subject to amendment in either the House of Representa-
tives or the Senate.
(e) Consideration by the Other House.—

(1) In general.—If, before passing the joint committee bill, one House receives from the other a joint committee bill—

(A) the joint committee bill of the other House shall not be referred to a committee; and

(B) the procedure in the receiving House shall be the same as if no joint committee bill had been received from the other House until the vote on passage, when the joint committee bill received from the other House shall supplant the joint committee bill of the receiving House.

(2) Revenue measure.—This subsection shall not apply to the House of Representatives if the joint committee bill received from the Senate is a revenue measure.

(f) Rules to Coordinate Action With Other House.—

(1) Treatment of joint committee bill of other house.—If the Senate fails to introduce or consider a joint committee bill under this section, the joint committee bill of the House shall be entitled to expedited floor procedures under this section.

(2) Treatment of companion measures in the Senate.—If following passage of the joint com-
mittee bill in the Senate, the Senate then receives the joint committee bill from the House of Representatives, the House-passed joint committee bill shall not be debatable. The vote on passage of the joint committee bill in the Senate shall be considered to be the vote on passage of the joint committee bill received from the House of Representatives.

(3) VETOES.—If the President vetoes the joint committee bill, debate on a veto message in the Senate under this section shall be 1 hour equally divided between the majority and minority leaders or their designees.

(g) LOSS OF PRIVILEGE.—The provisions of this section shall cease to apply to the joint committee bill if—

(1) the joint committee fails to vote on the report or proposed legislative language required under section 201(b)(3)(B)(i) by November 23, 2011; or

(2) the joint committee bill does not pass both Houses by December 23, 2011.

SEC. 403. FUNDING.

Funding for the joint committee shall be derived in equal portions from—

(1) the applicable accounts of the House of Representatives; and
(2) the contingent fund of the Senate from the appropriations account “Miscellaneous Items”, subject to Senate rules and regulations.

SEC. 404. RULEMAKING.

The provisions of this title are enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change such rules (so far as relating to such House) at any time, in the same manner, and to the same extent as in the case of any other rule of such House.

TITLE V—PELL GRANT AND STUDENT LOAN PROGRAM CHANGES

SEC. 501. FEDERAL PELL GRANTS.

(1) in subclause (II), by striking “$3,183,000,000” and inserting “$12,183,000,000”; and
(2) in subclause (III), by striking “$0” and inserting “$8,000,000,000”.

SEC. 502. TERMINATION OF AUTHORITY TO MAKE INTEREST
SUBSIDIZED LOANS TO GRADUATE AND PRO-
FESSIONAL STUDENTS.

Section 455(a) of the Higher Education Act of 1965 (20 U.S.C. 1087e(a)) is amended by adding at the end the following new paragraph:

“(3) TERMINATION OF AUTHORITY TO MAKE IN-
TEREST SUBSIDIZED LOANS TO GRADUATE AND PRO-
FESSIONAL STUDENTS.—

“(A) IN GENERAL.—Subject to subpara-
graph (B) and notwithstanding any provision of
this part or part B, for any period of instruction
beginning on or after July 1, 2012—

“(i) a graduate or professional student
shall not be eligible to receive a Federal Di-
rect Stafford loan under this part; and

“(ii) the maximum annual amount of
Federal Direct Unsubsidized Stafford loans
such a student may borrow in any aca-
demic year (as defined in section 481(a)(2))
or its equivalent shall be the maximum annual amount for such student determined under section 428H, plus an amount equal to the amount of Federal Direct Stafford loans the student would have received in the absence of this subparagraph.

“(B) EXCEPTION.—Subparagraph (A) shall not apply to an individual enrolled in course work specified in paragraph (3)(B) or (4)(B) of section 484(b).”.

SEC. 503. TERMINATION OF DIRECT LOAN REPAYMENT INCENTIVES.

Section 455(b)(8) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)(8)) is amended—

(1) in subparagraph (A)—

(A) by amending the header to read as follows: “(A) INCENTIVES FOR LOANS DISBURSED BEFORE JULY 1, 2012.—”; and

(B) by inserting “with respect to loans for which the first disbursement of principal is made before July 1, 2012,” after “of this part”; and

(2) in subparagraph (B), by inserting “with respect to loans for which the first disbursement of principal is made before July 1, 2012” after “reppay-ment incentives”; and
(3) by adding at the end the following new sub-
paragraph:

“(C) NO REPAYMENT INCENTIVES FOR NEW
LOANS DISBURSED ON OR AFTER JULY 1, 2012.—
Notwithstanding any other provision of this
part, the Secretary is prohibited from author-
izing or providing any repayment incentive not
otherwise authorized under this part to encour-
age on-time repayment of a loan under this part
for which the first disbursement of principal is
made on or after July 1, 2012, including any re-
duction in the interest or origination fee rate
paid by a borrower of such a loan, except that
the Secretary may provide for an interest rate
reduction for a borrower who agrees to have pay-
ments on such a loan automatically electroni-
cally debited from a bank account.”.

SEC. 504. INAPPLICABILITY OF TITLE IV NEGOTIATED
RULEMAKING AND MASTER CALENDAR EX-
CEPTION.

Sections 482(c) and 492 of the Higher Education Act
of 1965 (20 U.S.C. 1089(c), 1098a) shall not apply to the
amendments made by this title, or to any regulations promulgated under those amendments.

Attest:

Clerk.